

NANCY SWEENEY
CLERK DISTRICT COURT

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FILED
BY JIA PAASO
Deputy

LEO GALLAGHER

Lewis and Clark County Attorney

JAMESON C. WALKER

NICHOLAS MAZANEC

Special Deputy Lewis and Clark County Attorneys

Special Assistant Montana Attorneys General

840 Helena Avenue

Helena, MT 59601

(406) 444-2040

Attorneys for the Plaintiff

**MONTANA FIRST JUDICIAL DISTRICT COURT,
LEWIS AND CLARK COUNTY**

**MIKE MENAHAN
PRESIDING JUDGE**

STATE OF MONTANA,
Plaintiff,

vs.

WILLIAM R. NOONEY,
Defendant.

Cause No.:

ADC-2013-277

**MOTION AND AFFIDAVIT FOR ORDER
GRANTING LEAVE TO FILE
INFORMATION DIRECTLY IN
DISTRICT COURT**

STATE OF MONTANA)

:ss

County of Lewis and Clark)

JAMESON C. WALKER, being first duly sworn, upon oath, deposes and says:

1. That he is a duly appointed, qualified, and acting Special Assistant Montana Attorney General and Special Deputy County Attorney in and for the county of Lewis and Clark, state of Montana.

2. That the Defendant has committed offenses in Lewis and Clark and Missoula Counties as hereinafter set forth and, based upon information developed through an investigation conducted by criminal justice investigators, the Court should grant leave to file an Information

directly in District Court pursuant to Mont. Code Ann. § 46-11-201, charging the above-named Defendant with the offenses of: **COUNT 1:** Failure to Register as a Securities Salesperson, common scheme, a Felony, in violation of § 30-10-201(1); **COUNT 2:** Fraudulent Practices, common scheme, a Felony, in violation of § 30-10-301(1)(c); **COUNT 3:** Fraudulent Practices, common scheme, a Felony, in violation of § 30-10-301(1)(c); and **COUNT 4:** Fraudulent Practices, common scheme, a Felony, in violation of § 30-10-301(1)(c).

3. That law enforcement officers and criminal justice investigators have made a full and careful investigation of all the facts and circumstances surrounding the commission of said offenses, so far as they are known or ascertainable, and Affiant believes it a proper case for the filing of an Information. For this reason and pursuant to § 46-11-201, Affiant respectfully moves the Court for leave to file said Information directly in District Court.

4. That the following information is submitted to establish probable cause for the filing of the charges:

Salesperson Registration

5. Defendant is not now nor has he ever been registered to offer and sell securities in Montana.

Investment Enterprises, Inc.

6. Defendant operated Investment Enterprises, Inc. (Investment Enterprises) and Real Estate Investments, LLC (Real Estate Investments). Investment Enterprises offered and sold high-interest, short-term notes allegedly backed by real property. Defendant, as agent of Investment Enterprises, sold at least \$210,200 in investment notes to investors as follows:

a. On or about February 13, 2008, Defendant sold a note to J.D. in the amount of \$110,000. The note had a one-year term with a 9 percent interest rate. The “borrower” listed on the note is Defendant. Defendant personally guaranteed the note.

b. On or about February 14, 2008, Defendant sold a note to B.C. in the amount of \$17,000. The note had a six-month term with a 12 percent interest rate. The “borrower” listed on the note is Defendant as President of Real Estate Investments. Defendant personally guaranteed the note.

c. On or about April 17, 2008, Defendant sold a note to G.W. in the amount of \$11,000. The note had a five-month term with a 12 percent interest rate. The note was executed by Defendant as President of Real Estate Investments.

d. On or about April 22, 2008, Defendant sold a note to J.V. in the amount of \$25,000. The note had a one-year term with an 11 percent interest rate. The note was executed by Defendant as President of Real Estate Investments. Defendant personally guaranteed the note.

e. On or about May 13, 2008, Defendant offered and sold a note to R.P. in the amount of \$30,000. The note had a one-year term with an 11 percent interest rate. The note was executed by Defendant as President of Real Estate Investments. Defendant personally guaranteed the note.

f. On or about June 6, 2008, Defendant sold a note to S.S. in the amount of \$17,200. The note had a five-month term and an 11 percent interest rate. The note was executed by Defendant as President of Real Estate Investments. Defendant personally guaranteed the note.

g. The notes Defendant offered as agent of Investment Enterprises and/or Real Estate Investments are not, nor have they ever been, registered as securities with the State of Montana.

7. While offering notes on behalf of Investment Enterprises, Defendant never provided the investors with prospectuses, never advised them he was not registered to sell securities in Montana, and never advised them that the products he offered were not registered as securities in Montana.

Neuma International, Inc.

8. Beginning on or about August 1, 2008, Defendant offered and sold investment notes in Neuma International, Inc. (Neuma) to at least seven Montana investors for an aggregate total investment of at least \$202,000. Neuma, formerly DDR Copper, Inc. (DDR), allegedly dealt in mining and industrial resources. Defendant represented to investors that Neuma was trying to raise \$500,000, would pay at least 10 percent interest for a fixed minimum period, was securing its notes with 1,500,000 shares of its common stock, and would be completing an initial public offering (IPO) within 12 months.

a. S.M. invested \$10,000 on or around August 1, 2008. The term of the Neuma note was between six and eight weeks in duration with a 10 percent interest rate. The note was secured by Neuma/DDR common stock. Defendant personally guaranteed he would buy back S.M.'s shares at \$1 per share if Neuma failed to pay off the note by December 31, 2009.

b. R.P. invested \$32,000 on or about August 1, 2008. The term of the Neuma note was between six and eight weeks in duration with a 10 percent interest rate. The note was

secured by Neuma/DDR common stock. Defendant personally guaranteed he would buy back R.P.'s shares at \$1 per share if Neuma failed to pay off the note by December 31, 2009.

c. J.N. invested \$5,000 on or around August 2, 2008. The term of the Neuma note was between six and eight weeks in duration with a 10 percent interest rate. The note was secured by Neuma/DDR common stock. Defendant personally guaranteed he would buy back J. N.'s shares at \$1 per share if Neuma failed to pay off the note by December 31, 2009.

d. G. and B.M. invested \$20,000 on or around August 7, 2008, and \$10,000 on or around August 22, 2008. The terms of their Neuma notes were between six and eight weeks in duration with a 10 percent interest rate. The notes were secured by Neuma/DDR common stock. Defendant personally guaranteed he would buy back G. and B.M.'s shares at \$1 per share if Neuma failed to pay off the notes by December 31, 2009.

e. K.J. invested \$100,000 on or about December 15, 2008. The note stated that it was to mature "one business day following cash in bank by Nuema (*sic*) of its Major Funding." The note had a 20 percent interest rate. As collateral, K.J. was promised the option to purchase 500,000 shares of Neuma at \$1 per share prior to the IPO.

f. B.C. invested \$25,000 on or about March 16, 2009. The term of the Neuma note was between 15 and 45 days in duration with a 12 percent monthly interest rate. The note was secured by Neuma common stock.

9. The Neuma notes Defendant offered are not, nor have they ever been, registered as securities with the State of Montana.

10. During the transactions with B.C., K.J., R.P., S.M., and G. and B.M., Defendant never provided the investors with prospectuses, never advised them he was not registered to sell

securities in Montana, and never advised them that the products he offered were not registered as securities in Montana.

Caldwell Marketing CMP, SA

11. Beginning on or about March 2009, Defendant solicited at least two participants in an advanced loan fee/capital investment program with Caldwell Marketing CMP, SA (Caldwell). In this program, he sought advanced loan and retainer fees from clients in return for a promise to obtain financing for them. The solicitations generated advanced loan fees of at least \$40,000 and retainer fees of approximately \$6,750. Defendant solicited investors as follows:

a. On or about March 31, 2009, Defendant solicited J.L. to enter into an agreement with Caldwell whereby J.L. provided Defendant a \$3,250 consulting fee in return for a promise to obtain \$4 million in financing. Defendant subsequently introduced J.L. to MS Euroinvestments, which allegedly agreed to provide \$11 million in funding in return for a \$20,000 advanced loan fee. Per Defendant's instructions, J.L. wired the fee to a New Zealand bank on April 30, 2009. J.L. never received the contracted-for financing. Defendant personally guaranteed that he would return the \$23,250 in fees if he failed to obtain financing.

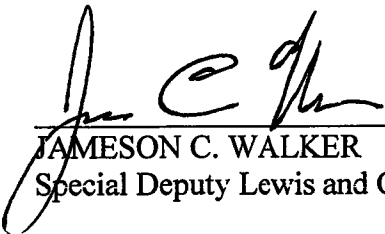
b. On or about April 19, 2009, Defendant placed C.D. into a written agreement with Caldwell. In the agreement, Defendant agreed to seek funding up to \$4,000,000 in exchange for 45 percent ownership of an entity with which C.D. was affiliated. For an additional \$20,000 fee, Defendant claimed he would find C.D. an investor to provide financing. Per Defendant's instructions, C.D. wired \$20,000 to a Macedonia bank and gave Defendant a \$3,500 consulting fee.

12. The advanced loan fee/capital investment agreements Defendant offered are not, nor have they ever been, registered as securities with the State of Montana.

13. During the transactions with J.L. and C.D., Defendant never provided the investors with prospectuses, never advised them he was not registered to sell securities in Montana, and never advised them that the products he offered were not registered as securities in Montana.

WHEREFORE, the undersigned moves the Court for an Order granting leave to file an Information directly in District Court charging the above named Defendant with the felony offenses of **COUNT 1: Failure to Register as a Securities Salesperson, common scheme, a Felony**, in violation of § 30-10-201(1); **COUNT 2: Fraudulent Practices, common scheme, a Felony**, in violation of § 30-10-301(1)(c); **COUNT 3: Fraudulent Practices, common scheme, a Felony**, in violation of § 30-10-301(1)(c); and **COUNT 4: Fraudulent Practices, common scheme, a Felony**, in violation of § 30-10-301(1)(c).

DATED this 11th day of September, 2013.


JAMESON C. WALKER
Special Deputy Lewis and Clark County Attorney

SUBSCRIBED and SWORN to before me this 11th day of September 2013, by
Jameson C. Walker.

